98th Congress, 1st Session - - - - - - - House Document No. 98-67

EXTENSION OF WAIVER AUTHORITY UNDER THE TRADE ACT

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

HIS RECOMMENDATION THAT THE AUTHORITY TO WAIVE SUBSECTIONS (a) AND (b) OF SECTION 402 OF THE TRADE ACT OF 1974 BE EXTENDED FOR A FURTHER PERIOD OF TWELVE MONTHS, PURSUANT TO SECTION 402(d)(5) OF THE ACT

JUNE 6, 1983.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

11-011 O WASHINGTON : 1983

To the Congress of the United States:

I hereby transmit the documents required by subsection 402(d)(5) of the Trade Act of 1974 for a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402.

RONALD REAGAN.

THE WHITE HOUSE, *June 3, 1983.*

Recommendation for Extension of Waiver Authority

I recommend to the Congress that the waiver authority granted by subsection 402(c) of the Trade Act of 1974 (hereinafter "the Act") be further extended for twelve months. Pursuant to subsection 402 (d)(5) of the Act, I have today determined that further extension of such authority will substantially promote the objectives of section 402, and that continuation of the waivers currently applicable to the Hungarian People's Republic and the People's Republic of China will also substantially promote the objectives of section 402 of the Act. With respect to the Socialist Republic of Romania, I have today also determined that continuation of the waiver currently applicable to that country will substantially promote the objectives of section 402 of the Act. This determination is based on assurances provided by the Socialist Republic of Romania that it will no longer require reimbursement to the State of education costs as a precondition to emigration, and that it will not create economic or procedural barriers to emigration. My determination is attached to this Recommendation and is incorporated herein.

The general waiver authority conferred by section 402(c) of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Romania, Hungary, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including our important productive exchanges on human rights and emigration matters. Moreover, continuation of the waiver authority might permit future expansion of our bilateral relations with other countries now subject to subsections 402(a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this recommendation for renewal of the general waiver authority.

I also believe that continuing the current waivers applicable to Hungary, the People's Republic of China and Romania will substantially promote the objectives of section 402 of the Act.

Hungary.—Hungary continues to take a positive and constructive approach to emigration matters. The Hungarian record of the past year, during which all outstanding problem cases were resolved, was excellent. The number of Hungarian citizens who apply to leave Hungary remains small and emigration permission is granted apparently without undue difficulty. There are no sanctions imposed on those who seek to emigrate, nor do emigration procedures appear excessive.

People's Republic of China.—China continued its open emigration policy throughout the past year. Chinese who wish to emigrate do so with little difficulty. In FY–1982, nearly 9,000 immigrant visas were issued by our Foreign Service posts in China. This figure has increased every year since the normalization of relations with China in 1979. In addition, tens of thousands of Chinese have traveled freely abroad over the past few years to study, conduct business, or simply tour and visit family. The limiting factor on Chinese emigration remains less

official constraint than the limited ability or willingness of this and other countries to receive large numbers of potential Chinese immigrants.

Romania.—Emigration from Romania to all countries has approximately doubled and emigration to the United States has increased sixfold since the granting of MFN to Romania in 1975. In 1982, about 2,500 persons emigrated from Romania to the United States, while about 20,000 emigrated worldwide. This Administration initiated discussions with the Government of Romania on the improvement of emigration procedures. The rate of Jewish emigration to Israel in the period September 1982 to March 1983 was nearly double that of the same period in 1981–82. I will continue to monitor closely Romania's performance in improving its emigration procedures and in the area of Jewish emigration to Israel.

Implementation in February, 1983, of the education repayment decree of November 1, 1982, imposed a requirement that any Romanian citizen wishing to emigrate must repay in convertible currency the costs of education received beyond the compulsory level (10 years of schooling). This requirement conflicts with the letter and spirit of section 402. For that reason, on March 4, 1983 I announced my intention to terminate MFN status for Romania on June 30, 1983 if the tax was still in force by that date. Since that time, I have received assurances from the President of Romania that Romania will not require reimbursement to the State of education costs as a precondition to emigration, and that Romania will not create economic or procedural barriers to emigration. Based on these assurances and on the above-described emigration performance, I believe that continuation of the waiver applicable to Romania will substantially promote the objectives of the Act.

For the above reasons, I have determined that continuation of the waivers for Hungary, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of the Act.

THE WHITE HOUSE,
Washington, June 3, 1983.
Presidential Determination
No. 83

MEMORANDUM FOR THE SECRETARY OF STATE

Subject: Determination under Subsection 402(d)(5) of the Trade Act of 1974—Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618), January 3, 1975 (88 Stat. 1978) (hereinafter "the Act"), I determine, pursuant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402 of the Act.

This determination shall be published in the *Federal Register*.

RONALD REAGAN.

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